

Methodological notes

Objectives

The main object of the survey is the study of the structural and economic characteristics of the companies that carry out trade activities.

In order to achieve this objective, information about the companies diverse characteristics is collected, such as the main activity, legal nature, activity period, premises, variables about the employment structure and accounting data, like purchases and expenses, income, capital and tax transactions.

The information obtained must meet a set of basic requirements such as being comparable on an international level, covering the needs for information demanded by various statistics users and being a useful instruments for National Accounting. Moreover, it will server as a framework to up date short term indicators and to study the transformations operated in the sector.

Finally, to point out that, in agreement with the European Union Council's Regulation 58/97 about the structural statistics of companies, all the member states must annually supply information on certain trade companies variables.

This regulation established two types of statistical operation for the analysis of the trade sector: annual operations that provide information referring to the whole sector (section G of the National Classification of Economic Activities, NACE-93) and pluriannual statistics in which the peculiarities of each one of the three trade divisions are analysed exhaustively.

Another objective is to evaluate the quality of the directories used in the surveys and the questionnaires suitability for the sector studied.

Scope

The survey's scope is defined with respect to the population researched, time and space.

Population scope

The population object of the 93 Yearly Trade Survey is formed by the companies whose main activity is described in section G of the National Classification of Economic Activities (NACE-93), which includes the following divisions and groups:

50. Sale, maintenance and repair of motor vehicles, motorcycles and mopeds; retail sale of fuel for motor vehicles

Covers:

- All the activities (except manufacturing and renting) related with motor vehicles and motorcycles, including lorries and heavy vehicles.
- Wholesale and retail sales of new and second hand vehicles.
- Maintenance and repair, washing and towing of vehicles.
- Wholesale and retail sale of spare parts and accessories.

This section also covers:

- The activities of intermediaries of the wholesale and retail trade of motor vehicles.
- Retail sale of fuels and lubricant and cooling products for automotion.

Does not cover:

- Rental of vehicles without driver and with driver.
- Manufacture of automobile vehicles.

50.1. Sale of motor vehicles

Covers:

The wholesale and retail of motor vehicles carried out by intermediaries, the wholesale and retail of new and second hand motor vehicles including all terrain vehicles, passenger motor vehicles, including specialised vehicles (ambulances, minibuses, ...), vans, lorries, tractor heads, trailers, dormobiles, caravans and tourist trailers.

Does not cover:

Wholesale and retail sale of spare parts and accessories for motor vehicles or the commerce of agricultural tractors.

50.2. Maintenance and repair of motor vehicles.

Covers:

Maintenance and repair of motor vehicles: mechanical repairs, electrical repairs, ordinary repairs, repair of bodywork, repair of motor vehicle accessories, washing, polishing, and painting, repair of windscreens and windows, repair, installation and replacement of tyres, repair of flat tyres, tow trucks and assistance on the road and the installation of spare parts and accessories.

Does not cover:

Retreading and reconstruction of tyres or Motor Ordinance Test (MOT).

50.3. Sale of motor vehicle spare parts and accessories

Covers:

Wholesale and retail sale of spare parts and accessories for motor vehicles including the sale of spare parts and accessories carried out by intermediaries and by catalogue.

50.4. Sale, maintenance and repair of motorcycles and mopeds and of their spare parts and accessories

Covers:

Wholesale and retail sale of motorcycles, including mopeds and spare parts and accessories for motorcycles of all types, the activities of intermediaries and the maintenance and repair of motorcycles.

Does not cover:

The sale, maintenance and repair of bicycles and of their spare parts and accessories.

50.5. Retail sale of automotive fuel

Covers:

The retail sale of fuels for motor vehicles and motorcycles and the retail sale of lubricating and cooling products for motor vehicles.

Does not cover:

Wholesale sale of fuel or the activities of intermediaries in the sale of fuel.

51. Wholesale commerce and commerce intermediaries, except of motor vehicles and motorcycles

Covers:

–The sale without transformation of new and used products to retailers, other wholesalers, industrial, commercial, institutional or professional consumers, both by intermediaries as well as for self.

NOTE: *These activities are carried out by wholesale traders, small scale wholesalers, industrial product distributors, exporters, importers, purchasing co-operatives, buyers and co-operatives that commercialise agrarian products, brokers, intermediaries*

– The normal manipulations of freelance wholesale trade: assembly, classification and grouping of products in large entries, loading, packing and bottling, redistribution in small entries.

Does not cover:

Retail trade of vehicles, caravans and motorcycles as well as the repair and sale of spare parts and accessories, rental of machinery and equipment without operator, personal effects and domestic articles.

51.1. Business Middlemen

Covers:

The activities of intermediaries, goods agents and the remaining wholesalers that carry out trade for third parties, the activities of those who are dedicated to putting buyers and sellers in contact or who undertake trade transactions in the name of a constituent.

Does not cover:

– Wholesale sale for self, retail trade carried out by intermediaries, the activities of insurance agents, the activities of estate agents and the organisation of the transport of goods.

51.2. Wholesale of agricultural raw materials and live animals

Covers:

Wholesale trade of cereals, seed and feed for livestock, potatoes for sowing, feed for farm animals, flowers and plants, live animals, leather and unprocessed tobacco.

Does not cover:

Wholesale trade of fertilisers and agro-chemical products, textile fibres and leather articles.

51.3. Wholesale of food, beverages and tobacco

Covers:

The wholesale trade of fruits, vegetables, and fresh legumes, including potatoes, meat and meat products, fowl and other farm and hunting animals, dairy products, eggs, edible oils and fats, beverages, tobacco products, sugar, chocolate, cakes, coffee, tea, cocoa, spices, fish, shellfish and other food products.

Does not cover:

Bottling is carried out by third parties.

51.4. Wholesale commerce of consumer products, other than food

Covers:

The wholesale trade of textiles, clothes, footwear, electrical appliances, radios and televisions, records, cassettes, compact discs and videos, lighting apparatus, cables and switches for domestic use, porcelain, glassware, painted paper, cleaning articles, perfume products, beauty products, pharmaceutical products, paper stationery, books and similar, games and toys, watches and clocks, jewellery and silver, leather travel articles and other articles of leather, other domestic use arti

cles, such as, furniture, rugs and other floor coverings, non-electrical domestic use apparatus, photographic and optical products, musical instruments, sporting equipment, bicycles and their spare parts and wood articles.

Does not cover:

Wholesale trade of all kinds of textile fibres or wholesale trade of office furniture.

51.5. Wholesale of non-agricultural intermediate products, waste and scrap

Covers:

The wholesale trade of solid, liquid and gaseous fuels and similar products, metals and metal ores, wood, construction materials and sanitary apparatus, hardware, plumbing and heating, chemical products, other semi-developed products, scrap and waste products.

Does not cover:

Recycling of scrap metal nor recycling of non-metallic waste.

51.6. Wholesale of machinery, equipment and supplies

Covers:

The retail trade of machine-tools, machinery for construction, machinery for the textile industry, sewing and knitting machines, office machines and equipment, other machinery for industry, trade and navigation, machines, agrarian accessories and tools, including tractors.

Does not cover:

The wholesale trade of crane lorries, cement mixer lorries, electronic installation material, vehicles, trailers and caravans.

51.7. Other wholesale

Covers:

The wholesale trade of various goods without a particular specialisation, and the wholesale trade not previously classified.

52. Retail trade, except motor vehicle, motorcycles and moped trade; repair of personal effects and household equipment

Covers:

– The sale (without transformation) of new and used products to the general public for consumption or personal or domestic use in stores, large stores, stands, postal order warehouses, travelling salespersons, consumption co-operatives,

– The repair and installation of personal and domestic articles, even in combination with retail sales.

– Retail sale carried out by intermediaries who are classified in the same heading as the sale of the products.

Does not cover:

- The sale of motor vehicles, motorcycles and their components, as well as the sale of fuel for them.
- The sale of cereals, seeds, minerals, crude petroleum, chemical industrial products, iron and steel and the industrial machinery and equipment.
- The sale of food and beverages for their consumption on the same premises and the sale of take-away food.
- The rental of personal and domestic effects to the general public.

52.1. Retail trade in non-specialised establishments

Covers:

- Activities of commercial establishments that, apart from selling *mainly food*, offers another large range of goods such as clothing, furniture, electrical appliances, hardware articles, cosmetics, Hypermarkets, supermarkets, super-services and self-services are classified in this section.
- All types of frozen food activities.
- Non-specialised retail trade, *without predominance of food* in establishments that offer a large range of goods in general among which is included clothes, furniture, electrical appliances, hardware articles, cosmetics, jewellery, toys, sports articles, Large stores and popular stores are classified in this section.

52.2. Retail sale of food, beverages and tobacco in specialised stores

Covers:

The retail trade in specialised establishments of fruits and vegetables, meat, fowl and hunting meat, delicatessen and cold meats, fish and shellfish, bakery, cakes, pastries, beverages, tobacco products, dairy products, eggs; fruit preserves, vegetables, meats and; fruit, vegetable, meat and fish preserves. fish. It also covers the retail trade of establishments so called grocer's shops.

Does not cover:

The retail trade of bread and bakery, confectionery and pastry products in the establishments where they are made.

52.3. Retail trade of pharmaceutical, medical articles, beauty and hygiene products

Covers:

The retail trade of pharmaceutical products, medicines for veterinary use, medical and orthopaedic articles, herbalists articles, cosmetics and dressing table articles, such as soaps, perfumes, skin beauty products and sun screen products.

52.4. Other retail sale of new goods in specialised stores

Covers:

The retail commerce of textiles, clothes, footwear and leather articles, furniture, lighting and other electrical appliances, radio, television and sound apparatus, hardware articles, paints and glass, DIY materials, construction materials, paints and varnishes, health material, books, newspapers and stationery, optical, photographic and precision materials, clocks and watches, jewellery and silver articles, toys, sporting articles, pharmaceutical articles, painted paper and floor coverings, seeds, flowers, plants and pets, fuels (except for cars), commercial art galleries,

Does not cover:

Retail trade of ancient objects, old and second hand books, rental of video tapes. Nor does it include the retail trade of automobile fuel.

52.5. Retail sale of second-hand goods in stores

Covers:

Antique dealers, the retail trade of second hand books and of other second hand goods such as furniture, clothes, machines, materials,

Does not cover:

The activities of auctions carried out by the courts, the restoration of art works and old books, the retail trade of second hand motor vehicles, stamps and coins.

52.6. Retail sale not in stores

Covers:

Retail trade of any type of product by mail order (goods are sent to the purchaser that is chosen in agreement with a catalogue, sample or any other type of offer). This also includes retail trade by television, radio and telephone of any product, retail trade of at sales posts and markets, door to door sales, retail trade by means of coin operated machines and travelling salesmen.

Does not cover:

The retail trade in supply market stands nor the maintenance and repair of vending machines.

52.7. Repair of personal effects and household equipment

Covers:

The repair of personal effects and household equipment when it is not carried out in conjunction with the production, the wholesale or the retail trade of said articles.

Does not cover:

The repair of motor vehicles and motorcycles, the restoration of jewellery, the repair of musical instruments or the restoration of furniture and art works, including old books.

Temporal scope

The reference period for the survey is the year. Data on employment have been requested with reference to a specific month, 30 September.

Geographical scope

All statistical units located in Spanish state territory are object of investigation.

Statistical unit

The statistical unit can be defined as the element or component of the population that is the object of the observation and research to which the data tabulation of the statistical groups obtained as a result of the surveys refers.

The company that has its main activity as some of the services included in the population scope has been used as a statistical unit. The company is also the informant unit, as in being perfectly defined and localised and having accounting and employment data available the response is facilitated and homogeneous information is obtained.

The company is the smallest combination of statistical units that constitutes a unit that organises the production of goods and services and which has a certain degree of autonomy in taking decisions, especially relative to the assignation of their current resources. A company may practice one or more activities in one or various local units.

Classification variables

The information contained in this publication is presented attending to four classification criteria:

- Main economic activity according to the National Classification of Economic Activities 1993 (NACE-93) codes-93).
- Size of the company by number of.
- Legal nature.
- Geographical distribution by Autonomous Community.

Economic Activity

The economic activity carried out by a company is defined as the creation of added value by means of the production of goods and services.

Each one of the statistical units studies (companies) frequently carry out various activities that should be classified in separate classes of the National Classification of Economic Activities. In general, activities developed by an economic unit may be of three types: main, secondary and auxiliary activities. Main activity is differentiated from secondary activities by being the one which generates greater added value; while auxiliary services are those that generate services that are not sold on the market and only serve for the unit on which they depend (administration departments, transport services or stores).

Faced with the difficulty which for companies means the calculation of added value when various activities are carried out, that activity which generates the greatest volume of business is considered the main activity or, failing that, that which occupies the greatest number of persons.

The population framework for all the economic surveys carried out by the National Statistical Institute is the Central Companies Directory (CCD) which is generated from administrative registers. The economic activity that each company has in the CCD is determined from the fiscal section of the economic activities tax and the NACE-93 activity code that appears on the social security contribution account. However, it has already been commented that companies usually carry out more than one activity which implies that each company should be registered on various sections of the economic activity tax and to be able to assign a main entry activity the INE Directories Unit applies a series of filters and criteria. This main starting activity may be modified by the collection of the survey with the description the company makes of its main activity.

Finally, the information which is requested from informant units refers not only to the main activity considered but also to all the secondary and auxiliary activities which are carried out.

Company size

The dimension of companies is one of the most important variables when determining the behaviour of companies. This dimension can be established in terms of

the amount of turnover, or by considering the number of persons who make up the companies personnel. This statistic opts to consider the latter option to determine the size of companies. Tables are presented by employee strata.

Employed personnel are considered to be the set of persons who contribute by means of their work, to the production of goods and services or who carry out auxiliary activities in the company whether or not they are remunerated. They include persons on leave for a short period (leave for illness, holidays or exceptional leave), personnel on strike and persons who work outside the company but which form part of the company and are paid by the company.

They are not included as employees:

- Personnel contracted to the company, but that depends on another company, which is paid for this.
- Persons with unlimited licence.
- Persons who work exclusively on commission.
- Freelance professionals tied to the company by a mercantile contract.
- Exclusively capitalist partners and families of the owner who do not participate actively in the company.

Employee branches have been calculated based on the annual average of employees, considering the average number per quarter and the number of months that companies remained active during.

Branches considered when presenting information are the following:

- Less than 2 employed
- From 2 to 4 employed
- From 5 to 9 employed
- From 10 to 19 employed
- From 20 to 49 employed
- 50 or more employed

Legal nature

The legal nature of the company is obtained from the Tax Identification Number (TIN). The following categories are considered:

- *Physical person or individual*: includes those companies belonging to one or various physical persons without the formalisation of the company or group appearing in the legal document. Physical person: Included here are individual companies made up by free or independent professionals.

– *Legal entity*: those companies to which the law grants capacity to exert rights and assume obligations have legal personality. The following modalities are distinguished:

- Public limited company.
- Public limited company.
- Other: s: civil company, group company, limited partnership or community of goods, non-profit making associations, temporary company unions, economic interest groups, co-operatives,

Geographical distribution

The last classification variable used is the Autonomous Community, obtained from the geographical localisation of the central headquarters domicile.

Moreover, given that any company can carry out its administrative management in a community and have the establishments in other geographical locations, information has been covered on the autonomous distribution of a set of variables: number of premises, employed personnel, turnover, wages and salaries and gross investment in material goods considering the location of the premises.

Studied variables

The variables object of study may be classified into three types:

- Economic variables coming directly from the questionnaire. They have direct correspondence with the General Accounting Plan.
- Economic groups. These are variables derived from the above, covered in Regulation nº 58/97 of Structural Statistics and defined in Regulation nº 2700/98.
- Indicators that may be of three types: by company, economic and job.
- Specifics of trade. They cover information on trade characteristics.

Variables requested in the questionnaire

The main characteristic of the Yearly Trade Survey is the study of economic variables. To collect information on monetary movements, companies accounting has been considered the most adequate source, due to which the questionnaires referring to purchases, expenses and income take the denominations and criteria of the General Accounting Plan (GAP) as a reference point. In this manner the homogeneity of the information is guaranteed and the collaborating companies responses

are facilitated using a common terminology and requesting data that the companies already have collected.

Within the General Accounting Plan the contents of the losses and profits *account* offers the information of most interest and the framework which best adapts to the survey objectives, a reason for which the data which make up this account are defined in a detailed manner.

The information obtained from the General Accounting Plan is not always sufficient for getting to know the method in which income and expenses, the geographic origin and destination of purchases and sales of goods and services, the distribution of personnel expenses or the importance of each one of the rendered services are generated. For this reason, more detailed questions are included in the questionnaires, attempting in all cases to not abandon the accounting framework.

PURCHASES AND EXPENSES

They represent the value of all goods, other than investment assets and of all the services acquired during the reference year. These goods are destined for sale in the same state in which they were acquired or before transformation and integration into other products, or destined to current company operation.

Sales are valued at sales price without including invoiced VAT. As with sales, they are accounted for in net terms, in other words, discounting the *taxes* on purchases, discounts for quality defects or shipments returned to the supplier. Distinction is made between:

A. A. Purchases and work done by other companies

Purchases are divided into:

– *Net purchases of goods for resale.* Net purchase of commodities for resale. Net amount of goods acquired by the company to resell them in the state in which they were acquired without submitting them to transformation.

– *NET PURCHASES OF RAW MATERIALS.* Value of goods acquired for their transformation during the productive process.

– *Net purchases of other supplies.* This is the purchase of other goods and materials used by the company as fuels, replacements, office material, containers, packaging, They have to be storable.

– *Work carried out by other companies or professionals from the sector.* In other words, the value of the work that, forming part of the production process, is ordered and carried out by other companies and professionals.

B. Stock

– *Stock of goods* in the last and first day of the reference period.

– *Stocks of raw materials and of other supplies* between the last and first day of the reference period.

C. C. Expenses on external services

The expenses on external services are expenses carried out by the company in concept of various nature of services received from third parties. Among them are found research and development expenses, leases and taxes, repair and conservation, payments for independent professional services (excluding those who carry out work that form part of the company's own production process), transport expenses by third parties, non-corporate insurance premiums, payments for bank and similar services, publicity, propaganda and public relations, supplies expenses (non-storable); water, electricity, gas, ...) and other expenses on external services that include expenses on food and travel, payments to temping agencies and expenses mainly on telecommunications.

D. Personnel expenses

Personnel expenses is understood to be all personnel remuneration whatever the form or the concept for which they are met, paid to the set of employees as remuneration of their work, as well as the obligatory and facultative social charges which the company is responsible for.

Personnel expenses are broken down according to the General Accounting Plan in:

– Gross wages and salaries Payments, in cash or in kind, with which the company remunerates the work of its employees, without discounting taxes, contributions of employees to Social Security and other obligations of the worker withheld in origin by the employing company.

– *Indemnities*. Quantities which are given to personnel of the company to compensate damage, including compensation for dismissal, illness, early retirement ...

– *Social Security contributions which are the responsibility of the company*. They include the obligatory contributions that the company makes directly to social security for its employees, by means of the various benefits made.

– *Contributions to complementary pension systems*. Contributions to complementary systems. Amount of contributions returned to pension plans or another analogous system of coverage of retirement situations, invalidity or death, in relation to company personnel, carried out by the same by virtue of collective, contractual or voluntary agreements.

– *Other corporate costs*. The expenses incurred, by the company in compliance with a legal or voluntary disposition, for its employees. They include subsidies to company stores and dining rooms, maintenance of schools professional training schools and training, study grants, premiums due to life insurance contracts, accidents, illness,

E. Other expenses

Included are the following:

– *Other management expenses.* Included here are the rest of the expenses contained in the operation account and which are considered of lesser importance from the point of view of the company activity or lesser quantity in relation to own activity expenses. They include losses due to firm client insolvency, results of common operations and other current management losses.

– *Financial expenditure.* They cover costs caused via external financing of the company. Financial expenses. They cover the costs originated through external company financing. They include interests returned during the financial year coming from fixed interest shares, of loans received or for the discount of letters, losses produced by the alienation of fixed or variable interest shares, through firm insolvency of credits or through differences on sales due to prompt payment granted by the company to its clients.

– *Amortisation.* This includes reserves for the amortisation of establishment costs, material and non-material fixed assets.

– *Other extraordinary: expenses, losses through insolvency,*

ADMISSIONS

In this block information is collected on company income in the reference year. Its differentiated between the companies income from its main activity and those obtained from secondary or exceptional activities.

A. Turnover

This includes the amounts invoiced by the company during the reference month as the sale of goods and provision of services that are the object of company traffic, both in the exercise of their main activity and any other secondary activity that the company carries out. Sales are accounted for excluding taxes on transactions (neither is client VAT included).

They are accounted for in net terms by deducting the returns of sales, as well as sales taxes. Cash discounts are not deducted nor discounts on sales for prompt payment.

Business volume does not include sale of fixed assets nor subsidies charged for producing. The amount of turnover is calculated as the sum of the net sales of products and goods and the provision of services.

B. Other incomes

They are included in this block:

– *Work carried out by the company for fixed assets.* These are those carried out by the company for its non-fixed assets by means of equipment and personnel. This may

affect both material non-fixed assets, *technical installations, equipment for information processing, large repairs or improvements.* ; such as for immaterial non-fixed assets, *IT applications, research and development, ...* . From this subgroup, the corresponding amounts to the incorporation of establishment expense assets (incorporation, start-up and capital expansion expenses) and incorporation debt formalisation expense assets are requested

Other management income. – *Other income from management.* Includes income obtained by leasing, granting of industrial property, commissions received in exchange for mediation services carried out accidentally, services provided to company personnel (co-operatives, transport, housing) or, possibly, to other companies or individuals (transport, advice, reports, ...).

– *Operating subsidies.* These are transfer amounts granted to the company by Public Administrations, companies or individuals with the objective of ensuring minimal profitability, compensating operation deficit or facilitating sufficient remuneration of production factors. Not included are those carried out by own partners or companies in the group, multigroup or associates nor those quantities received under the form of tax exemption of help for investment.

– *Financial income.* They cover the total value of financial income obtained by the company during the reference year. They include income coming from capital holdings in other companies, interest from negotiable fixed income capital and from loans and credits, profit produced by transfer of fixed or variable income shares or due to modifications of the exchange rate as well as discounts by prompt payment to the company by its suppliers.

– *Other incomes.* Included are extraordinary income, profits from fixed assets,

– *Stock of finished products in progress.* Value of the stock of products that are finished or in the manufacturing process that have been produced by the unit and which have still not been sold on the last and first day of the reference period. This includes products in the process of manufacture belonging to the unit, even if these products are in the possession of third parties. Products stored by the units that belong to third parties are excluded. The evaluation of these goods is carried out at accountable production cost without VAT.

OTHER ECONOMIC INFORMATION

A. Capital transactions

They include transfers carried out over the reference year to obtain elements destined to be used in the company long-lasting activity.

They also include improvements, transformations and repairs that prolong normal useful life or increase the productivity of existing fixed capital. Current repair and maintenance costs are not included.

They are valued at acquisition price, if they are bought from third parties, and at production cost, if they are produced by the own company, including installation

costs and all rights and possible taxes, but excluding supported and deductible VAT and financing costs. Two types are differentiated. Two types are differentiated:

– *Other unmoveable material*. Expenses and income relating to new or used durable goods, bought or sold to other companies or produced for own use, whose useful life is greater than a year and which is destined for company use. Among them are found natural land and goods, IT equipment, technical installations and constructions (when the investment is carried out in the construction of new plants), transport elements, machinery and tools and buildings and existing structures (when the investment is carried out in buildings already built).

– *Non-fixed assets*. They refer to corporate expenses and income due to the acquisition and sale of long duration elements that are not material such as patents, commercial trademarks, designs, copyright, They include expenses on research and development, administrative concessions, industrial property, trade fund, right to transfer premises and IT applications. They also include rights on financial leased goods acquired over the year; that is, the value of the right to use and purchase material assets that the company uses under regimen of financial leasing.

B. Taxes

Obligatory payments made to public administrations, that tax the productive activity of the company and the use of production factors. Not included for the purposes of the survey are taxes on income, heritage income capital and specifically corporate taxes and income tax. Distinction is made between:

B.1 Taxes linked to products. These are taxes paid based on the value of goods and services produced or sold.

– *Value added tax (VAT)*, General Indirect Canaries Tax (GICT) for Canaries, Tax on Production, Services and Imports (TPSI) for Ceuta and Melilla. The following is considered within the VAT regime:

- *General*
- *Special*.
- *VAT charged*. Imposed VAT . This is that the company makes its clients responsible for handing in goods or provision of services.
- *Paid and deductible VAT* Paid and deductible VAT . Is the tax that the company pays its suppliers for the purchase of goods and services and has the fiscal condition of deductible.
- *Liquidated VAT or VAT quota* These are quantities paid to the Inland Revenue by companies signed up to special regimes.

– *Other taxes on products*. They include other taxes linked to imports, special taxes, inheritance transmissions and legal documented acts,

B.2 *Taxes linked to production*. They are paid independently of the value of the goods and services produced or sold. They include: Economic Activities Tax (IAE), Buildings Tax (IBI), tax on contamination, circulation of vehicles, stamp rights and registry,

EMPLOYMENT

A. Occupied personnel

The employed personnel (previously defined), is classified, with a reference date of 30 September 1999 according to different criteria:

A.1 According to remuneration

– *Unpaid personnel*: made up by persons who direct or actively participate in company work without receiving fixed remuneration or salary. Included are owners, autonomous partners who practice an activity in the company and family aid. Not included are exclusively capitalist partners nor families of the owner who do not participate actively in the company.

– *Paid personnel*: it is made up by employees linked to the company by a work contract and who are remunerated with fixed or periodical quantities in the form of salary, commission, by the job or payment in kind. This could be *fixed personnel* (with a contract or undefined work relation) and *temporary personnel* (with a contract of determined duration).

A.2 According to type of working day

– *Full time personnel*: full time personnel: personnel who work a given number of hours per week or per month, which are considered normal in the sector or type of company studied.

– *Part time personnel*: the part time employees are those persons that work less hours than those considered normal in the sector or company. Covers all forms of part time labour, such as the average work day, work limited to one, two or three days per week,...

A.3 According to sex.

All the employees employed at the company are differentiated by sex.

B. External company personnel

Due to the special characteristics of trade companies it is interesting to investigate personnel who work for the company but who do not feature on payroll and who generate costs due to a contracting of services.

Information is requested on personnel facilitated by temporary work companies (ETT) and the personnel who work in the company linked by a non-work contract (freelance workers who work in the company). Within this second group, the commissioned personnel is important to the commercial activity. This covers the

sales persons and freelance commissioned representatives that intervene in the commercialisation process of the companies products, because of which they are tied by means of a special work relationship, generally by a sales contract.

C. Evolution of personnel by quarter

The personnel may change during the year due to the needs of the companies to attend to short term increments in demand due to seasonal factors or transitional market circumstances. These variations in employment primarily affect external personnel and temporary employees (personnel facilitated by Temporary Work Agencies and professionals tied to companies by non work contracts).

To obtain the development of employment during the year the average employment per quarter is taken.

Economic groups

The economic aggregates that appear in this publication are calculated based on the questionnaire variables, as is required by Regulation n° 58/97 on Structural Statistics approved by the European Union Council on 20 December 1996.

GROSS TRADE MARGIN

The gross profit margin represents the remuneration of purchasing and selling activity without transformation.

The trade margin is defined as the business volume corresponding to the sale of goods bought for the resale in the same state in which they were acquired, less the purchase of goods destined for the sale in the same state in which they were acquired, plus or minus the variation of stocks of goods destined for the sale in the same state in which they were acquired.

PRODUCTION VALUE

The value of production measures the amount of goods and services produced by the company during the financial year.

Production value is defined as business volume, more or less the variations in stock of finished products, jobs in progress and goods and services bought for resale, less purchases of goods and services for resale, plus immobilised production and other management income (excluding subsidies).

GROSS ADDED VALUE AT MARKET PRICES

The added value at market prices is calculated based on the production value minus operating expenses other than those destined for resale (consumption of raw

materials and other supplies, expenses on external services and other management expenses).

ADDED VALUE TO THE COST OF FACTORS

The added value on the factor cost is the gross income of operation activities after adjusting for the effect of operating subsidies and indirect taxes. It is calculated based on the Gross Added Value at market prices, subtracting all taxes tied to production and to the products and adding operating subsidies.

GROSS OPERATING SURPLUS

The gross operating surplus is the surplus generated by operation activities after recompensing the work factor. This may be calculated from the gross added value at factor costs less personnel costs. Makes up the available balance for the unit which allows it to compensate its suppliers from personal equity and debt, pay taxes and eventually finance all or part of its investment.

Indicators

With the object of facilitating a rapid analysis of particular commerce characteristics and within this, to make evident the differences or similarities existing between companies which constitute it, indicators have been formed in the form of ratios based on previously exposed variables.

These indicators are grouped into three groups: relative to company size, economic and job ratios; are offered for each activity sector and occupation stratum.

AVERAGE SIZE OF COMPANIES

– *Number of employees per company*: quotient between the average number of employees over the year and the total number of companies.

ECONOMIC INDICATORS

– *Productivity*: is the quotient between added value at factor cost and the average number of employees over the year. It appears expressed in Euros and represents the contribution of each employee (remunerated or not) to the companies income generation; is indirectly a measure of the relative weight of the work factor in each activity.

– *Average salary*: the quotient between Wages and Salaries paid to the employees and the number of employees during the year, expressed in Euros. Permits the

comparative analysis of the average retribution paid to the employees of each activity and the relation with the qualification of this personnel.

– *Added value rate*: added value rate: this is defined as the percentage that represents the gross added value at factor cost with respect to production value and shows the capacity of generation of income by product of service unit.

– *Personnel costs rate*: proportion that personnel costs represent with respect to added value. Can be considered a measure of the participation of remunerated work in the distribution of income generated in the sector. Its complementary is the gross operation surplus rate.

JOB RATIOS

– *Employees rate*: percentage of the number of employees as opposed to the total number of employees (remunerated and non remunerated) to 30 of September. Its complementary aspect measures the degree of Autonomous employment in each sector.

– *Stability rate in the job*: the proportion of the number of people with fixed contract on 30 September out of the number of total remunerated persons on this date. This is a measure of the stability in the job that exists in each sector. This ratio, because of being calculated on one specific date, may be skewed in commercial activities with a high seasonal component.

– *Feminine participation rate*: Feminine participation rate: percentage of the number of employed women against the total number employees, both to 30 September.

– *Remunerated feminine participation rate*: proportion of female salaried employees to 30 of September as opposed to the total number of employees on that date. The interpretation of this ratio should be carried out together with the previous one in order to be able to determine if the participation of the female in the labour market is carried out on a freelance basis or for others.

– *Externality rate in the job*: percentage of external personnel (personnel facilitated by Temporary Work Agencies and professionals tied to companies by non work contracts) signifies as opposed to the total personnel (external plus employed). This ratio is obtained from the average number over the year both for external and employed personnel.

Design of the survey

Surveys framework

The Central Companies Directory (CCD) has been used as a survey framework. It contains information on main economic activity and on the number of company employees which facilitates its stratification by their concepts. Data on the identification and localisation of statistical units that are necessary for correct collection of the information also feature in this directory.

The data contained in the CCD is obtained based on administrative sources, mainly proceeding from the Tax Agency and Social Security, and it is completed with information proceeding from the INE's statistical operations.

Sample design

The design of the survey depends on the distribution and characteristics of the population studied in each case. As a general rule a stratification by company size is carried out according to the number of employees. A sample size is obtained for each stratum once a minimum number of units for each one of them is obtained.

Type of sample

A stratified sample is used. The companies are the sample units that supply information on activity and size during the previous year.

Stratification

The two variables that serve to stratify company population are activity and size (sometimes the Autonomous Community is taken).

In this way, companies are classified in strata formed by crossing these variables. The activity is taken according to its code NACE-93, generally to four digits, although in some cases three are taken, depending on the distribution of the population and the breakdown in the results tables and for the size, the necessary intervals are considered according to the distribution of the population.

Sample size. Fixation

For the calculation of the sample sizes the number of companies as well as the typical variation of some variable of the population (employed, turnover¹,...).

Generally an optimal setting is carried out (also called Neymann) of three per cent is carried out by prefixing a sample error in some of the variables indicate.

The optimum fixation indicates that the global sample size (n) is spread over each stratum (n_h) in the following manner:

¹ The variable turnover may be known from the results of the surveys carried out in previous years.

$$n_h = n \frac{N_h S_h}{\sum_h N_h S_h}$$

where $N_h = n^\circ$ of framework companies in stratum h .

$S_h =$ deviation typical of the variable in stratum h .

On the other hand the prefixed error is obtained:

$$n = \frac{\left(\sum_h N_h S_h \right)^2}{V + \sum_h N_h S_h^2}$$

Where $V = (0,03 \cdot X)^2$; X being the variable total.

The strata that include wholesale companies are sampled completely.

Selection:

Once the sample sizes in each stratum are calculated a systematic selection is carried out with random starting, previously ordering the companies in order of decreasing size.

1. Sale, maintenance and repair of motor vehicles, motorcycles and mopeds; retail trade of fuel for motor vehicles

The existing population of companies in the CCD whose activity is included in division 50 has been taken, in groups 50.1, 50.2, 50.3, 50.4, 50.5 of the NACE-93, broken down for each activity according to size by the number of employees.

The size intervals are:

1. Without employees
2. One and two employees
3. From 3 to 9 employees
4. From 10 to 19 employees
5. From 20 to 49 employees
6. 50 or more employees

An optimum allocation is established, investigating the last interval in an exhaustive manner and carrying a systematic selection in the others.

2. Wholesale commerce and intermediaries, except of motor vehicles and motorcycles

The population of companies existing in the CCD whose activity is included in division 51 has been taken, in the corresponding classes according to NACE-93 ex

cept classes from group 51.1 *Trade intermediaries* for which the same sample design as retail trade is used. This is stratified according to Autonomous Community and the size by number of employees.

The size intervals are:

Less than three employees (includes units without employees)

From 3 to 5 employees

From 6 to 9 employees

From 10 to 19 employees

From 20 to 49 employees

50 or more employees

An optimum allocation is established, investigating the last interval in an exhaustive manner and carrying a systematic selection in the others.

3. Retail trade except trade of motor vehicles, motorcycles and mopeds; repair of personal effects and household equipment; trade intermediaries

The current population of companies whose activities are included in Division 52 existing in the CCD, in the corresponding classes according to the NACE-93 together with the classes of the 51.1 group *Trade Intermediaries*, broken down according to size by the number of employees.

The size intervals are:

Without employees

One and two employees

From 3 to 9 employees

From 10 to 49 employees

50 or more employees

An optimum allocation is established, investigating the last interval in an exhaustive manner and carrying a systematic selection in the others.

Estimators

Unbiased estimators have been used in the stratified sample with correction of the directory according to the type of incidence occurred.

The estimator of variable X for stratum h is:

$$\hat{X}_h = \frac{N_h}{n_h} \sum_{i=1}^{n_h} X_{hi}$$

where:

X_{hi} is the value of the variable X in the company i of the h strata.

n_h is the number of companies selected for the sample in the h strata.

N_h , Number of companies in the directory in stratum h .

However, due to the various incidences that come up during the execution of the survey (refusals, inactive, not locatable, closures, strata changes, not surveyable,...) this elevation factor $\frac{N_h}{n_h}$ is only used given the case that the companies that were selected from strata h and have passed to another different strata k (due to change in size, activity or Community).

If a company has not changed strata, this factor is corrected with the new factor $\frac{\hat{N}_h^*}{n_h^*}$ where:

n_h^* is the effective number of companies in the h strata that have not changed strata.

\hat{N}_h^* is the estimated number of companies from the framework in stratum h who have not changed stratum. This is calculated according to the expression:

$$\hat{N}_h^* = N_h \left(1 - \frac{b_h}{n_h} \right) - \sum_{k \neq h} \frac{N_h}{n_h} n_h^k$$

where:

b_h is the number of companies, duplicated or closed temporarily in stratum h .

n_h^k is the number of companies selected from strata h and that actually belong to strata k .

Sample errors

If \hat{X} is the estimation of the variable X , its relative sampling error is given (as a percentage) according to the expression:

$$CV(\hat{X}) = \frac{\sqrt{\text{Var}(\hat{X})}}{\hat{X}} * 100$$

where $\text{Var}(\hat{X})$, the variance estimate \hat{X} , is defined by following expression:

$$\begin{aligned} \text{Var}(\hat{X}) &= \sum_h \hat{N}_h^* (\hat{N}_h^* - n_h^*) \frac{\sum_{i=1}^{n_h^*} (X_i - \bar{X}_h^*)^2}{n_h^* (n_h^* - 1)} + \\ &+ \sum_h \bar{X}_h^{*2} \hat{N}_h^* (N_h - \hat{N}_h^*) \frac{(N_h - n_h)}{N_h (n_h - 1)} + \\ &+ \sum_h \sum_{k \neq h} N_k (N_k - n_k) \frac{S_k^{h2}}{n_k}; \end{aligned}$$

where:

$\bar{X}_h^* = \frac{\sum_{i=1}^{n_h^*} X_i}{n_h^*}$, it is the estimated measure of the variable X for those companies that have not changed strata.

$$S_k^{h2} = \frac{\sum_{i=1}^{n_k^h} X_i^2}{n_k - 1} - \frac{\left(\sum_{i=1}^{n_k^h} X_i \right)^2}{n_k (n_k - 1)},$$

is the quasi variance of the sample of companies that pass from any given k strata to another h strata.

Collection of the information

Field work. Incidences

The collection of information has been carried out by means of the centralised collection unit (CCU) in the INE. The data collection procedure was mail with telephone and fax support. In a first phase the survey documentation was sent by mail and telephone contact made with companies when no answer was obtained or when the answer was considered insufficient or doubtful. This process was carried out over two phases:

1st rotation: company with more than twenty employees between April and July

2nd rotation: rest of the companies between September and December.

In order to control the field work, different situations that could occur during the collection of information have been taken into account.

Company surveyed. Company surveyed. Companies with a main activity that is included in the survey's population scope, and from which a correctly completed questionnaire has been obtained, are considered as such.

In the process of collection of the information a series was presented, moreover, a series of *incidences* which did not facilitate obtaining the questionnaire. Its rigorous treatment is of great importance as its analysis facilitates updating the survey framework and having influence on the treatment of the information.

The incidences that have been borne in mind are:

- Refusal or non response: the informant refused to collaborate or alleges excuses, delays or ignorance of the data.
- Closed temporarily or inactive: temporarily closed or inactive: the company remained closed during the information collection period and no informant could be located, or has not been active during
- Definitive closure: termination or definitive closure: the company has ceased their activity in a definitive form, a situation that is proven with some official document that accredits this.
- unlocatable: not locatable: the company has not been located with the information in the directory, nor by any other means.
- Duplicated: The company appeared in the directory more than once.
- Erroneously included: The company has a main activity outside the scope of the survey. The company is erroneously included in the sample.
- Foreign company: The company is the representative of another foreign company, but does not carry out activities in Spain.
- Non-lucrative: the company carries out non-profit making activities.

Treatment of the Information

During the questionnaire collection phase a first filtering and encoding process is carried out. Subsequently, once the questionnaires are recorded, the file with the data is submitted to a series of computerised controls in order to detect errors, incoherence and inconsistencies which were corrected. The study of the results tables facilitates a final analysis of the data contained in the questionnaires.